

United States Senate
WASHINGTON, DC 20510

September 25, 2014

The Honorable Richard F. Griffin, Jr.
General Counsel
National Labor Relations Board
1099 14th Street, NW
Washington, DC 20570

Dear Mr. Griffin:

We are writing regarding your July 29, 2014 opinion addressing the franchise business model, which concluded that franchisors could be treated as joint employers with their franchisees. This determination appears to alter federal law that has been settled for decades.

In particular, we are concerned about the lack of public reasoning supporting your conclusion. Small businesses like franchises are the foundation upon which the American economy is built. In fact, there are more than 700,000 franchises in America. While they may be associated with a national brand, in reality they are small, independently operated entities that contribute to economic growth in countless towns and communities across America – and have for decades. Treating franchisors as joint employers with their franchisees will likely disrupt this well-functioning, established business model.

As you know, franchisees generally control hiring practices, working conditions, wages, and hours of operations. They also file their own taxes. Franchisors do not control any of these activities. A franchisee's employees do not work for the franchisor. Federal labor law has long recognized the importance of these distinctions.

In light of the serious consequences that could follow from your decision, we respectfully request that you make public your supporting reasoning and relevant data. This information will allow Congress and the public to evaluate the merits of your decision and enable franchisees and franchisors to better understand the possible legal implications of their relationships.

We appreciate your prompt attention to this important matter.

Sincerely,





Mike Johnson

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Ray Bend

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Jeff

John Barrasso

Quin Hatch

John Bozeman

Mike Enje

John McLean

Pat Dooney

Tom Cohen

Jimmy Smith

John Thune

Walter R. K.

Clara Kim

John Conyn

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John Hill

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Jerry Moran

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